

WASHINGTON, D.C. 20505

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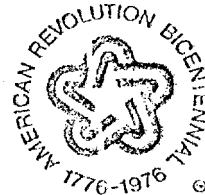
Mr. James T. Lynn, Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Lynn:

This submits proposed legislation in accordance with Office of Management and Budget Circular No. A-19, revised. Enclosed are six copies of a draft bill, "To amend the National Security Act of 1947, as amended, and for other purposes." Also enclosed are copies of a sectional analysis, a comparison with existing law, cost analysis, and drafts of the letters of transmittal to the President of the Senate and the Speaker of the House of Representatives.

The proposed legislation amends Section 102 of the National Security Act of 1947 by creating, in lieu of the one Deputy Director of Central Intelligence currently provided for in that Section, two Deputy Directors: a Deputy Director of Central Intelligence for the Central Intelligence Agency and a Deputy Director of Central Intelligence for the Intelligence Community. The proposed legislation authorizes the Director to delegate to each of the Deputy Directors any of the authorities vested in him by virtue of his position as Director of Central Intelligence and as head of the Central Intelligence Agency. It provides that the Director and Deputy Directors shall be appointed by the President with the advice and consent of the Senate. It provides further that the positions of Director of Central Intelligence and Deputy Director of Central Intelligence for the Central Intelligence Agency shall not be occupied simultaneously by a commissioned officer of the armed services.

The National Security Act of 1947 established the Office of Director of Central Intelligence as executive head of the Central Intelligence Agency. Among his responsibilities under the Act, the Director is charged with the oversight and coordination of the foreign intelligence community. Over the years, this latter supra-departmental responsibility has become increasingly important. The President, through Executive Order 11905, has recently taken steps to further enhance the role of the Director in coordinating the activities of the intelligence community.



The Director's expanding duties in administering the intelligence community, handling relations with other components of the Government, serving as the Government's principal foreign intelligence adviser, and passing on broad questions of policy, leave him less time for day-to-day supervision of the Agency. It has become apparent that the Director must have the support of two deputies if he is to function effectively in his dual role as administrative head of the Central Intelligence Agency and overall coordinator of the intelligence community.

In this connection, the President's Commission on CIA Activities Within the United States has recommended the creation of two statutory deputies to improve supervision and management of the Central Intelligence Agency and to assist the Director in his community responsibilities. The President has already taken administrative action to this effect in Executive Order 11905 by directing the Director of Central Intelligence to delegate the day-to-day operation of the CIA to the Deputy Director of Central Intelligence and by creating the position of "Deputy to the Director of Central Intelligence for the Intelligence Community" to assist the Director in his supervision of the intelligence community. Because of the nature of their respective positions and the responsibility imposed upon them, it is recognized that it would be desirable for both deputies to be politically accountable officials--appointed by the President and confirmed by the Senate. In addition, the Senate Select Committee on Intelligence in its Final Report specifically recommended elevating the deputy position created in Executive Order 11905 to a statutory position of Deputy Director of Central Intelligence for the Intelligence Community.

Your advice is requested as to whether there is any objection to the submission of the proposed legislation to the Congress from the standpoint of the Administration's program.

Sincerely,

SIGNED

George Bush
Director

Enclosures

Distribution:

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1 - DCI, w/encls	1 - DDA, w/encls
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OLC:WPB:sm (26 May 76)

Approved For Release 2005/02/10 : CIA-RDP78M02660R000800030003-5

Bill

Approved For Release 2005/02/10 : CIA-RDP78M02660R000800030003-5

A BILL

To amend the National Security Act of 1947, as amended, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 102(a) of the National Security Act of 1947 (50 U.S.C.A. 403(a)) is amended to read as follows:

"(a) There is established under the National Security Council a Central Intelligence Agency with a Director of Central Intelligence who shall be the head thereof. There shall be two Deputy Directors of Central Intelligence: a Deputy Director of Central Intelligence for the Central Intelligence Agency (Deputy Director, Agency) and a Deputy Director of Central Intelligence for the Intelligence Community (Deputy Director, Community). The Director may, to the extent he deems appropriate and without being relieved of his responsibility, delegate to each of the Deputy Directors any of those authorities vested in him by virtue of his position as Director of Central Intelligence and as head of the Central Intelligence Agency. The Director may perform any of his functions or duties, or exercise any of his powers through, or with the aid of, such persons in, or organizations of, the Central Intelligence Agency as he may designate. The Director and the Deputy Directors shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals in civilian life or from among the commissioned officers of the armed services whether in active or retired status: Provided, however, that at no time shall the positions of Director and Deputy Director, Agency, be occupied simultaneously by a commissioned officer of the armed services, whether in an active or retired status."

SECTION 2. (a) Section 102(b)(3) of the National Security Act of 1947 (50 U.S.C.A. 403(b)(3)) is amended by striking the words "of Central Intelligence" wherever they appear in that subsection.

(b) Section 3(b) of the Central Intelligence Agency Act of 1949 (50 U.S.C.A. 403c(b)) is amended to read as follows:

"(b) In the exercise of the authorities granted in subsection (a) of this section, the term "Agency head" shall mean the Director of Central Intelligence, or the Deputy Director of Central Intelligence for the Central Intelligence Agency."

(c) Section 5314(36) of title 5, United States Code, is amended by striking the word "Director" and inserting in lieu thereof the word "Directors."

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Sectional Analysis
and Explanation

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SECTIONAL ANALYSIS AND EXPLANATION

This draft bill amends subsection (a) of section 102 of the National Security Act of 1947 by creating two Deputy Directors of Central Intelligence in lieu of the one Deputy Director currently provided for in that section. In effect, the bill redesignates the existing position of "Deputy Director of Central Intelligence" as "Deputy Director of Central Intelligence for the Central Intelligence Agency" (Deputy Director, Agency), and elevates the administratively-created position of "Deputy to the Director of Central Intelligence for the Intelligence Community" to the statutory position of "Deputy Director of Central Intelligence for the Intelligence Community" (Deputy Director, Community), to be appointed by the President with the advice and consent of the Senate. In addition, the draft bill makes certain conforming amendments.

Section 1:

The first sentence of amended subsection (a), establishing a Central Intelligence Agency headed by a Director of Central Intelligence, corresponds to existing law.

The second sentence of amended subsection (a) replaces the existing single position of Deputy Director of Central Intelligence with two deputy positions: a Deputy Director of Central Intelligence for the Central Intelligence Agency and a Deputy Director of Central Intelligence for the Intelligence Community.

The third sentence of amended subsection (a) permits the Director of Central Intelligence to delegate and apportion to each of the Deputy Directors their respective authorities and responsibilities. The scope and nature of such assignment is within the discretion of the Director, and he may thus delegate any of those authorities vested in him by virtue of his position either as Director of Central Intelligence or as head of the Central Intelligence Agency. Through such delegation the Director may provide for the performance of his duties and the exercise of his powers in the event of his absence or disability. In delegating authorities to the two deputies, the Director shall not be relieved of his ultimate responsibility, and thus the deputies shall act under the direction, authority and control of the Director in the performance of their respective duties.

The fourth sentence of amended subsection (a) confirms the authority of the Director of Central Intelligence, in the exercise of his authorities and performance of his duties as head of the Central Intelligence Agency, to act through, or with the aid of, such persons in the Central Intelligence Agency as he may designate.

The penultimate sentence of amended subsection (a) provides that the Director of Central Intelligence and both Deputy Directors of Central Intelligence shall be appointed by the President, by and with the advice and consent of the Senate, from among civilians or commissioned officers. This corresponds to existing law applicable to the Director and Deputy Director of Central Intelligence. Heretofore, however, the Director has appointed the "Deputy to the Director of Central Intelligence for the Intelligence Community," an administratively-created position.

The final proviso of amended subsection (a) assures that either the Director of Central Intelligence or the Deputy Director of Central Intelligence for the Central Intelligence Agency will be civilian. This corresponds to existing law with respect to the Director and Deputy Director of Central Intelligence.

Section 2:

Subsections (a) and (b) amend the National Security Act of 1947 and the Central Intelligence Agency Act of 1949 where necessary to reflect the creation of the second statutory Deputy Director.

Subsection (c) sets the rate of pay for both Deputy Director positions at level III of the Executive Schedule, which is the level of the present Deputy Director of Central Intelligence.

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Changes in Existing Law

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CHANGES IN EXISTING LAW

Changes in existing law made by the draft bill are shown as follows: existing law in which no change is proposed is shown in roman; existing law proposed to be omitted is enclosed in brackets; new matter is underscored.

NATIONAL SECURITY ACT OF 1947 as amended (50 U.S.C.A. 403)

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TITLE I -- COORDINATION FOR NATIONAL SECURITY

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CENTRAL INTELLIGENCE AGENCY

SEC. 102(a) There is established under the National Security Council a Central Intelligence Agency with a Director of Central Intelligence who shall be the head thereof[.]. [and with a Deputy Director of Central Intelligence who shall act for, and exercise the powers of, the Director during his absence of disability.] There shall be two Deputy Directors of Central Intelligence: a Deputy Director of Central Intelligence for the Central Intelligence Agency (Deputy Director, Agency) and a Deputy Director of Central Intelligence for the Intelligence Community (Deputy Director, Community). The Director may, to the extent he deems appropriate and without being relieved of his responsibility, delegate to each of the Deputy Directors any of those authorities vested in him by virtue of his position as Director of Central Intelligence and as head of the Central Intelligence Agency. The Director may perform any of his functions or duties, or exercise any of his powers through, or with the aid of, such persons in, or organizations of, the Central Intelligence Agency as he may designate. The Director and the Deputy Directors shall be appointed by the President, by and with the advice and consent of the Senate, from among [the commissioned officers of the armed services, whether in active or retired status, or from among] individuals in civilian life, or from among the commissioned officers of the armed services whether in active or retired status: Provided, however, that at no time shall the [two] positions of Director and Deputy Director, Agency, be occupied simultaneously by a commissioned officer of the armed services, whether in active or retired status.

* * * * *

(b)(3) The rank or grade of any such commissioned officer shall, during the period in which such commissioned officer occupies the office of Director [of Central Intelligence] , or Deputy Director [of Central Intelligence] , be in addition to the numbers and percentages otherwise authorized and appropriated for the armed service of which he is a member .

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CENTRAL INTELLIGENCE AGENCY ACT OF 1949
as amended
(50 U.S.C.A. 403 a-j)

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SEC. 3. (b) In the exercise of the authorities granted in subsection (a) of this section, the term "Agency head" shall mean the [Director, Deputy Director, or the Executive head of the Agency] Director of Central Intelligence, or the Deputy Director of Central Intelligence for the Central Intelligence Agency.

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TITLE 5
UNITED STATES CODE
GOVERNMENT ORGANIZATION AND EMPLOYEES

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CHAPTER 53 - PAY RATES AND SYSTEMS

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SUBCHAPTER II - EXECUTIVE SCHEDULE PAY RATES

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§5314. Positions at Level III

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(36) Deputy Directors_ of Central Intelligence

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Senate and House
Transmittal Letters

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Honorable Nelson A. Rockefeller
President of the Senate
Washington, D.C. 20510

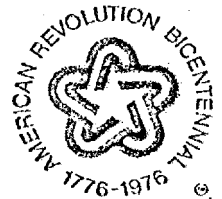
Dear Mr. President:

This letter transmits for the consideration of the Congress a draft bill to amend the National Security Act of 1947, as amended.

The National Security Act of 1947 established the Office of Director of Central Intelligence as executive head of the Central Intelligence Agency. Among his responsibilities under the Act, the Director is charged with the oversight and coordination of the entire intelligence community. Over the years, this latter supra-departmental responsibility has become increasingly important. The President, through Executive Order 11905, has recently taken steps to enhance further the role of the Director in coordinating the activities of the intelligence community.

The Director's expanding duties in administering the intelligence community, handling relations with other components in the Government, serving as the Government's principal foreign intelligence adviser, and passing on broad questions of policy leave him less time for day-to-day supervision of the Agency. Under the National Security Act of 1947, as amended, the Director's chief assistant is the Deputy Director of Central Intelligence. This position has generally been held by a high-ranking military officer, with responsibilities for maintaining liaison with the Department of Defense, fostering the Agency's relationship with the military services, and providing Agency management with necessary experience and skill in understanding particular intelligence requirements of the military. The Deputy Directors of Central Intelligence have generally not been involved in administration of the Central Intelligence Agency.

It has become apparent that the Director of Central Intelligence must have the support of two deputies if he is to function effectively in his dual role as administrative head of the Central Intelligence Agency and overall coordinator of the intelligence community. He needs one deputy to assist him in the day-to-day management of the Central Intelligence Agency and another deputy to assist him with intelligence community matters.



In this connection, the President's Commission on CIA Activities Within the United States has recommended the creation of two statutory deputies to improve supervision and management of the Central Intelligence Agency and to assist the Director in his community responsibilities. The President has already taken administrative action to this effect in Executive Order 11905 by directing the Director of Central Intelligence to delegate the day-to-day operation of the CIA to the Deputy Director of Central Intelligence and by creating the position of "Deputy to the Director of Central Intelligence for the Intelligence Community" to assist the Director in his supervision of the intelligence community. Because of the nature of their respective positions, it is recognized that it would be desirable for both deputies to be politically accountable officials--appointed by the President and confirmed by the Senate. In its Final Report, the Senate Select Committee on Intelligence specifically recommended elevating the deputy position created in Executive Order 11905 to a statutory position of Deputy Director of Central Intelligence for the Intelligence Community.

Accordingly, the proposed legislation amends section 102 of the National Security Act of 1947 by creating, in lieu of the one Deputy Director of Central Intelligence currently provided for in that section, two Deputy Directors: a Deputy Director of Central Intelligence for the Central Intelligence Agency and a Deputy Director of Central Intelligence for the Intelligence Community. The proposed legislation authorizes the Director to delegate to each of the Deputy Directors any of the authorities vested in him by virtue of his position as Director of Central Intelligence and as head of the Central Intelligence Agency. It provides that the Director and Deputy Directors shall be appointed by the President with the advice and consent of the Senate. It provides further that the positions of Director of Central Intelligence and Deputy Director of Central Intelligence for the Central Intelligence Agency shall not be occupied simultaneously by a commissioned officer of the armed services.

We would appreciate early and favorable consideration of the proposed bill. The Office of Management and Budget has advised that there is no objection to presenting the proposed bill to the Congress from the standpoint of the Administration's program.

Sincerely,

George Bush
Director

Enclosures

Honorable Carl Albert
Speaker of the House of Representatives
Washington, D.C. 20515

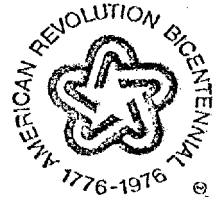
Dear Mr. Speaker:

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The Director's expanding duties in administering the intelligence community, handling relations with other components in the Government, serving as the Government's principal foreign intelligence adviser, and passing on broad questions of policy leave him less time for day-to-day supervision of the Agency. Under the National Security Act of 1947, as amended, the Director's chief assistant is the Deputy Director of Central Intelligence. This position has generally been held by a high-ranking military officer, with responsibilities for maintaining liaison with the Department of Defense, fostering the Agency's relationship with the military services, and providing Agency management with necessary experience and skill in understanding particular intelligence requirements of the military. The Deputy Directors of Central Intelligence have generally not been involved in administration of the Central Intelligence Agency.

It has become apparent that the Director of Central Intelligence must have the support of two deputies if he is to function effectively in his dual role as administrative head of the Central Intelligence Agency and overall coordinator of the intelligence community. He needs one deputy to assist him in the day-to-day management of the Central Intelligence Agency and another deputy to assist him with intelligence community matters.



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George Bush
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COST ANALYSIS

At present, the position of Deputy to the Director of Central Intelligence for the Intelligence Community is established at Level IV, which provides for a salary of \$39,900 under the current Executive Schedule. An upgrading of the position to Level III, which provides for a salary of \$42,000, would represent an increased salary cost of \$2,100.